

**Remarks**

This application has been carefully reviewed in light of the Office Action mailed March 9, 2004. Applicants appreciate the Examiner's consideration of the application. Claims 1-59 are pending and stand rejected. To further clarify various inventive concepts recited in Applicants' claims, Applicants have amended Claims 1 and 31. Applicants have also amended Claims 29 and 58 to correct typographical errors. None of these amendments add any new matter, and certain of these amendments are not considered necessary for patentability. Applicants respectfully request reconsideration and allowance of all pending claims.

**I. Applicants' Claims are Allowable over the Proposed *Vig-Sanders* Combination**

The Examiner rejected Claims 1-4, 11-19, 21, 31-34, 41-48, and 50 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent 6,038,554 to Vig ("*Vig*"), and further in view of U.S. Patent 6,411,936 to Sanders ("*Sanders*"). Applicants respectfully disagree and discuss Claim 1 as an example.

**A. The Proposed *Vig-Sanders* Combination Fails to Disclose, Teach, or Suggest Various Aspects of Claim 1**

One purpose of *Vig* is to determine the non-subjective value of something so that the non-subjective value can be compared to the dollar value of that something (i.e., the price) to determine whether that something is actually a good deal for a specific inquiring person. For example, *Vig* states, "The present invention's method is the instant unearthing of the dollar value a hypothetically perfectly knowledgeable society would say something is worth." (Column 5, Lines 24-26) In particular, *Vig* discloses determining the non-subjective value of a probed entity (e.g., a car or a doctor).

The Examiner equates "the probed entity" disclosed in *Vig* with "identifying one or more intellectual capitals to be measured, wherein the intellectual capital comprises human capital, structural capital, and external capital," as recited in Claim 1 prior to the amendments presented in the current Response. As discussed above, the probed entity in *Vig* is the subject

of *Vig*'s valuation method. First, Applicants respectfully submit that there is no disclosure, teaching, or suggestion in *Vig* that the probed entity is or could be "intellectual capital." *Vig* merely discloses that the probed entity, the thing being valued, could be a car or a doctor. In Claim 1, the thing being measured is the intellectual capital of an enterprise. Because the thing being valued in *Vig*, the probed entity, is not disclosed as intellectual capital, the thing being measured in Claim 1, the probed entity cannot be equated with the intellectual capital recited in Claim 1.

Furthermore, in a previous Office Action, the Examiner explained the Examiner's reasoning that the probed entity discloses "identifying one or more intellectual capitals to be measured, wherein each intellectual capital comprises human capital, structural capital, and external capital," stating that "*Vig* discloses that a societal dollar value of the probed target unit is derived for human factors such as a human being's opinion, inclinations, etc. In this instance, the value of the probed entity derived from human factors represents human capital (intellectual capital) since the final outcome is the societal dollar value." (*see* Final Office Action mailed 11/06/03, Page 14) Applicants respectfully submit that *Vig* does not support this interpretation. For example, it is not clear how human being's opinions, inclinations, etc. regarding a car have anything to do with "intellectual capital comprising human capital," as recited in Claim 1. Even assuming, for the sake of argument only, that the value of the probed entity derived from human factors could represent human capital as suggested by the Examiner (which Applicants do not concede), the value of the probed entity derived from human factors certainly does not disclose, teach, or suggest that each intellectual capital comprises "human capital comprising one or more capabilities of one or more individuals associated with the enterprise," as recited in Claim 1 as amended.

*Vig* also fails to teach, suggest or disclose "selecting a set of metrics that are present within the identified intellectual capitals, the set of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital, wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics" as recited in Claim 1 as amended.

The Office Action asserts that this recitation of Claim 1 is disclosed at “Col. 73, lines 49-54, where metrics are represented by the characteristics, quality, trait, etc., Col. 6, line 65-Col. 7, line 4, where the monetary worth represents the monetary metric, Col. 6, lines 65-67, where non-monetary metrics are represented by the ‘ride quality’ and ‘reliability’” in *Vig*. Applicants respectfully traverse the Examiner’s position.

The cited monetary worth (asserted by the Office Action to equate with “monetary metrics” recited by the present claims) is the result of *Vig*’s valuation, not a “metric” used in computing *Vig*’s valuation. For example, *Vig* discloses that the system is for “discovering both an entity’s actual current societal monetary value and its contemporary monetary worth.” *Vig*, Abstract. In another example, *Vig* teaches that what “an entity is, does and has are what matter *as to its true monetary worth or ranking*.” *Vig*, 2:58-59 (emphasis added). Moreover, *Vig* states that “[p]rice is *never* a factor of value.” *Id*, 2:61 (emphasis added). Therefore, *Vig* fails to teach, suggest, or disclose “wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics,” as recited by the Claim 1. Furthermore, *Vig* certainly fails to disclose, teach, or suggest “the set of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital,” as recited in Claim 1, as amended.

The Examiner acknowledges, and Applicants agree, that *Vig* fails to disclose that each intellectual capital comprises human capital, structural capital, and external capital. However, the Examiner argues that *Sanders* discloses structural capital and external capital. Applicants respectfully disagree.

For example, *Sanders* fails to disclose, teach, or suggest each intellectual capital comprising “structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise,” as recited in Claim 1, as amended. The portion of *Sanders* cited by the Examiner as disclosing structural capital merely states that “information about human resources includes at least one

of employee functions, relevant experience, training, knowledge and personality attributes, skills, capabilities, and contact information regarding the various individuals in the enterprise together with their current responsibilities, their position in the organizational structure, their current knowledge activity, current capability utilization, salaries, wages, benefits, and bonuses,” with “organizational structure” being the term highlighted the Examiner as disclosing structural capital. (Column 20, Lines 31-39; Office Action, Page 4) However, the term “organization structure” does not disclose, teach, or suggest “structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise,” as recited in Claim 1, as amended.

As another example, *Sanders* fails to disclose, teach, or suggest each intellectual capital comprising “external capital comprising a value of one or more business relationships of the enterprise with one or more entities,” as recited in Claim 1, as amended. The portion of *Sanders* cited by the Examiner as disclosing external capital merely states “wherein the model includes information about technology trends, demographics, the industry in general, and other externalities related to the specific product or service markets of the enterprise,” with “externalities” being the term highlighted the Examiner as disclosing external capital. (Column 20, Line 66 through Column 21, Line 2; Office Action, Page 4) However, the term “externalities” does not disclose, teach, or suggest “external capital comprising a value of one or more business relationships of the enterprise with one or more entities,” as recited in Claim 1, as amended.

**B. The Proposed Combination of *Vig* and *Sanders* is Inadequate and Inappropriate**

The rejection of Applicants' claims is also improper because the Examiner has not shown the required teaching, suggestion, or motivation in *Vig*, *Sanders*, or in the knowledge generally available to those of ordinary skill in the art at the time of the invention to combine or modify *Vig* or *Sanders* in the manner the Examiner proposes. The rejected claims are allowable for at least this reason.

The question raised under 35 U.S.C. § 103 is whether the prior art taken as a whole would suggest the claimed invention taken as a whole to one of ordinary skill in the art at the time of the invention. Accordingly, even if all elements of a claim are disclosed in various prior art references, which is certainly not the case here as discussed above, the claimed invention taken as a whole cannot be said to be obvious without some reason given in the prior art why one of ordinary skill at the time of the invention would have been prompted to modify the teachings of a reference or combine the teachings of multiple references to arrive at the claimed invention. It is clear based at least on the many distinctions discussed above that the proposed *Vig-Sanders* combination does not, taken as a whole, suggest the claimed invention, taken as a whole. Applicants respectfully submit that the Examiner has merely pieced together disjointed portions of unrelated references to reconstruct Applicants' claims.

The M.P.E.P. sets forth the strict legal standard for establishing a *prima facie* case of obviousness based on modification or combination of prior art references. "To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references where combined) must teach or suggest all the claim limitations." M.P.E.P. § 2142, 2143. The teaching, suggestion, or motivation for the modification or combination and the reasonable expectation of success must both be found in the prior art and cannot be based on an applicant's disclosure. *See Id.* (citations omitted). "Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art" at the time of the invention. M.P.E.P. § 2143.01. Even the fact that references *can* be modified or combined does not render the resultant modification or combination obvious unless the prior art teaches or suggests the desirability of the modification or combination. *See Id.* (citations omitted). Moreover, "To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or

suggested by the prior art. All words in a claim must be considered in judging the patentability of that claim against the prior art." M.P.E.P. § 2143.03 (citations omitted).

The governing Federal Circuit case law makes this strict legal standard even more clear.<sup>1</sup> According to the Federal Circuit, "a showing of a suggestion, teaching, or motivation to combine or modify prior art references is an essential component of an obviousness holding." *In re Sang-Su Lee*, 277 F.3d 1338, 1343, 61 U.S.P.Q.2d 1430, 1433 (Fed. Cir. 2002) (quoting *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1124-25, 56 U.S.P.Q.2d 1456, 1459 (Fed. Cir. 2000)). "Evidence of a suggestion, teaching, or motivation . . . may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, the nature of the problem to be solved." *In re Dembiczak*, 175 F.3d 994, 999, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999). However, the "range of sources available . . . does not diminish the requirement for actual evidence." *Id.* Although a prior art device "may be capable of being modified to run the way the apparatus is claimed, there must be a suggestion or motivation in the reference to do so." *In re Mills*, 916 F.2d at 682, 16 U.S.P.Q.2d at 1432. *See also In re Rouffet*, 149 F.3d 1350, 1357, 47 U.S.P.Q.2d 1453, 1457-58 (Fed. Cir. 1998) (holding a *prima facie* case of obviousness not made where the combination of the references taught every element of the claimed invention but did not provide a motivation to combine); *In Re Jones*, 958 F.2d 347, 351, 21 U.S.P.Q.2d 1941, 1944 (Fed. Cir. 1992) ("Conspicuously missing from this record is any evidence, other than the PTO's speculation (if that can be called evidence) that one of ordinary skill in the herbicidal art would have been motivated to make the modification of the prior art salts necessary to arrive at" the claimed invention.). Even a determination that it would have been obvious to one of ordinary skill in the art at the time of the invention to try the proposed modification or combination is not sufficient to establish a *prima facie* case of obviousness. *See In re Fine*, 837 F.2d 1071, 1075, 5 U.S.P.Q.2d 1596, 1599 (Fed. Cir. 1988).

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<sup>1</sup> Note M.P.E.P. 2145 X.C. ("The Federal Circuit has produced a number of decisions overturning obviousness rejections due to a lack of suggestion in the prior art of the desirability of combining references.").

In addition, the M.P.E.P. and the Federal Circuit repeatedly warn against using an applicant's disclosure as a blueprint to reconstruct the claimed invention. For example, the M.P.E.P. states, "The tendency to resort to 'hindsight' based upon applicant's disclosure is often difficult to avoid due to the very nature of the examination process. However, impermissible hindsight must be avoided and the legal conclusion must be reached on the basis of the facts gleaned from the prior art." M.P.E.P. § 2142. The governing Federal Circuit cases are equally clear. "A critical step in analyzing the patentability of claims pursuant to [35 U.S.C. § 103] is casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then-accepted wisdom in the field. . . . Close adherence to this methodology is especially important in cases where the very ease with which the invention can be understood may prompt one 'to fall victim to the insidious effect of a hindsight syndrome wherein that which only the invention taught is used against its teacher.'" *In re Kotzab*, 217 F.3d 1365, 1369, 55 U.S.P.Q.2d 1313, 1316 (Fed. Cir. 2000) (citations omitted). In *In re Kotzab*, the court noted that to prevent the use of hindsight based on the invention to defeat patentability of the invention, this court requires the examiner to show a motivation to combine the references that create the case of obviousness. *See id.* *See also, e.g., Grain Processing Corp. v. American Maize-Products*, 840 F.2d 902, 907, 5 U.S.P.Q.2d 1788, 1792 (Fed. Cir. 1988). Similarly, in *In re Dembiczak*, the Federal Circuit reversed a finding of obviousness by the Board, explaining that the required evidence of such a teaching, suggestion, or motivation is essential to avoid impermissible hindsight reconstruction of an applicant's invention:

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is *rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references*. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999, 50 U.S.P.Q.2d at 1617 (emphasis added) (citations omitted).

With regard to the proposed *Vig-Sanders* combination, the Examiner indicates that "[i]t would have been obvious to one of ordinary skill in the art at the time of applicants' invention to incorporate structural and external capital with the motivation of measuring intellectual capital of an enterprise according to a wide variety of defined capital." (Office Action, Page 4). First, as discussed above, Applicants dispute that *Sanders* discloses structural and external capital, as recited in Applicants claims. The Examiner has merely proposed an alleged advantage of combining *Vig* with *Sanders*. The Examiner has not pointed to any portions of either *Vig* or *Sanders* that would teach, suggest, or motivate one of ordinary skill in the art at the time of invention to incorporate the non-subjective valuation system disclosed in *Vig* with the enterprise value enhancement system and method disclosed in *Sanders*. It certainly would not have been obvious to one of ordinary skill in the art at the time of the invention, based solely on the prior art, *to even attempt* to incorporate into the non-subjective valuation system disclosed in *Vig* such an enterprise value enhancement system and method as the one disclosed in *Sanders*. Even more clearly, it certainly would not have been obvious to one of ordinary skill in the art at the time of the invention, based solely on the prior art, *to actually* incorporate into the non-subjective valuation system disclosed in *Vig* such an enterprise value enhancement system and method, which would be required to establish a *prima facie* case of obviousness under the M.P.E.P. and the governing Federal Circuit case law. This is particularly true in light of the fact that *Vig* does not even relate to intellectual capital as recited in Applicants' claims.

Accordingly, since the prior art fails to provide the required teaching, suggestion, or motivation to combine *Vig* with *Sanders* in the manner the Examiner proposes, Applicants respectfully submit that the Examiner's conclusions set forth in the Office Action fall well short of the requirements set forth in the M.P.E.P. and the governing Federal Circuit case law for demonstrating a *prima facie* case of obviousness. Thus, Applicants respectfully submit that the Examiner's proposed combination of *Vig* with *Sanders* appears to be merely an attempt, with the benefit of hindsight, to reconstruct Applicants' claims and is unsupported by the teachings of *Vig* and *Sanders*. Applicants respectfully submit that the rejection must therefore be withdrawn.



Second, as demonstrated above, Applicants respectfully submit that *Vig* is wholly inadequate as a reference against independent Claim 1. Thus, even if *Sanders* discloses the portions of Claim 1 that the Examiner suggests (with which Applicants do not agree), and even assuming for the sake of argument that there was the required teaching, suggestion, or motivation to combine *Vig* with *Sanders* as the Examiner proposes, the proposed *Vig-Sanders* combination would still fail to disclose, teach, or suggest the limitations specifically recited in independent Claim 1, as is required under the M.P.E.P. and the governing Federal Circuit cases for a *prima facie* case of obviousness.

For at least these reasons, Applicants respectfully request reconsideration and allowance of Claim 1 and its dependent claims. For at least the reasons stated with regard to independent Claim 1, Applicants respectfully request reconsideration and allowance of independent Claim 31 and its dependent claims.

**II. Applicants' Claims are Allowable over the Proposed *Vig-Sanders-Eder* Combination**

The Examiner rejected Claims 5-10, 20, 22-30, 35-40, 49, and 51-59 under 35 U.S.C. § 103(a) as being unpatentable over *Vig* in view of *Sanders*, and further in view of U.S. Patent 6,321,205 to Eder ("*Eder*"). Claims 5-10, 20, and 22-30 (which depend from independent Claim 1) and Claims 35-40, 49, and 51-59 (which depend from independent Claim 31) depend from independent Claims 1 and 31, which Applicants have shown above to be clearly allowable. Applicants respectfully submit that *Eder* fails to make up for any of the deficiencies of *Vig* and *Sanders* discussed above. Thus, Claims 5-10, 20, 22-30, 35-40, 49, and 51-59 are allowable at least because of their dependence on Claims 1 and 31. In addition, Claims 5-10, 20, 22-30, 35-40, 49, and 51-59 recite further patentable distinctions over the prior art of record. To avoid burdening the record and in view of the clear allowability of Claims 1 and 31, Applicants do not specifically discuss these distinctions in this Response. However, Applicants reserve the right to discuss these distinctions in a future Response or on Appeal, if appropriate. Furthermore, Applicants do not admit that the

proposed combination of *Vig*, *Sanders*, and *Eder* is possible or that the Examiner has demonstrated the required teaching, suggestion, or motivation to combine these references. For at least these reasons, Applicants respectfully request reconsideration and allowance of Claims 5-10, 20, 22-30, 35-40, 49, and 51-59.

**III. No Waiver**

All of Applicants' arguments and amendments are without prejudice or disclaimer. Additionally, Applicants have merely discussed example distinctions from the *Vig*, *Sanders*, and *Eder* references. Other distinctions may exist, and Applicants reserve the right to discuss these additional distinctions in a later Response or on Appeal, if appropriate. By not responding to additional statements made by the Examiner, Applicants do not acquiesce to the Examiner's additional statements. The example distinctions discussed by Applicants are sufficient to overcome the obviousness rejections.

ATTORNEY'S DOCKET:  
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PATENT APPLICATION  
USSN 10/029,657

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**Conclusion**

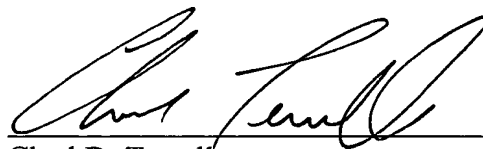
Applicants have now made an earnest attempt to place this case in condition for immediate allowance. For the foregoing reasons and for other apparent reasons, Applicants respectfully request allowance of all pending claims.

If the Examiner feels that prosecution of the present Application may be advanced in any way by a telephone conference, the Examiner is invited to contact the undersigned attorney at 214.953.6813.

Applicants submit a check in the amount of \$110.00 to cover the cost of a one-month extension of time. Applicants believe no other fees are due. If this is not correct, the Commissioner is hereby authorized to charge any deficiency or credit any overpayment to Deposit Account No. 05-0765 of Electronic Data Systems Corporation. **A duplicate copy of this page is enclosed.**

Respectfully submitted,

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